

Wolverhampton City Council

OPEN INFORMATION ITEM

Audit Committee

Date **16 APRIL 2012**

Originating Service Group(s)

DELIVERY

Contact Officer(s)/

P FARROW R MORGAN

Telephone Number(s)

4460 5612

Title/Subject Matter

AUDIT AND ASSURANCE EFFECTIVENESS MEASURES

RECOMMENDATION

That the Audit and Assurance effectiveness measures be noted.

1. **PURPOSE AND BACKGROUND**

- 1.1 In their 2011 report on Internal Audit Effectiveness, PwC noted that performance indicators had not been reported upon. Therefore, a set of Audit and Assurance effectiveness measures have been prepared and the opportunity is now being given for the Audit Committee to note them, and to receive regular progress reports on how successful the audit and assurance process is in helping improve the Council's control, risk and governance processes.

2. **DETAILS**

- 2.1 The following Audit and Assurance effectiveness measures have been prepared around the successful delivery of the audit service.

Audit Plans

Measure
Audit reports identifying suggested areas for action, issued to auditees within two weeks of completion of fieldwork.
Number of audits where time taken to complete assignment is more than 10% longer than planned.
Delivery of at least 80% of the audit plan, and an opinion which provides suitable assurance on the overall governance, risk management and control environment.
Risk Based Audit Plan produced and available to the Council in advance of the year to which it relates.

Recommendations

Measure
90% of recommendations accepted by Council management.
Number of key recommendations implemented by the Council by the target date.

Relationships

Measure
Positive feedback from completed client satisfaction surveys.

External Audit

Measure
Full reliance placed on internal audit work by External Audit.

Audit Services are currently going through a systems thinking intervention, following which further thought may be given to these effectiveness measures.

3. **FINANCIAL IMPLICATIONS**

- 3.1 There are no direct financial implications arising from this report. [GE/16032012/E]

4. **LEGAL IMPLICATIONS**

- 4.1 There are no direct legal implications arising from this report. [MW/19032012/C]

5. EQUAL OPPORTUNITIES IMPLICATIONS

5.1 There are no direct equal opportunities implications arising from this report.

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from this report.

7. SCHEDULE OF BACKGROUND PAPERS

PwC – Internal Audit Effectiveness Report